

PSJ15 Exh 62



Controlled Substance Compliance Monthly
Newsletter
August 2011

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http://www.deadiversion.usdoj.gov/crim_admin_actions/doctors_criminal_cases.pdf

1. Two Brooklyn, N.Y., Pharmacists Charged in \$3 Million Health Care Fraud Scheme

July 26, U.S. Department of Justice WASHINGTON – Two defendants who co-owned and operated two Brooklyn, N.Y.,-area pharmacies were arrested today on health care fraud charges for their alleged participation in a scheme to defraud Medicare Part D that resulted in more than \$3 million in fraudulent billings, announced the Department of Justice, FBI and the Department of Health and Human Services (HHS) and its Office of Inspector General (OIG).

Luba Balyasny, 46, and Alla Shrayber, 40, are each charged with conspiracy to commit health care fraud in a criminal complaint unsealed today in the Eastern District of New York. Balyasny and Shrayber, both of Brooklyn, are licensed pharmacists in New York State who co-owned and operated Monica's Pharmacy and L & A Pharmacy.

According to court documents, from January 2007 through December 2009, Balyasny and Shrayber allegedly defrauded the Medicare Part D program by systematically submitting false claims through their pharmacies for certain prescription medications that were not purchased by their businesses and were never dispensed to Medicare beneficiaries. The complaint alleges that the inventory at both pharmacies for certain prescription medications did not match the pharmacies' Part D reimbursement claims. According to court documents, the pharmacies submitted prescription drug claims totaling approximately 869,698 units of prescription medications without any supporting drug purchase invoices. The shortfall allegedly resulted in approximately \$3 million in false and fraudulent claims paid by Medicare Part D, Part D Plans and beneficiaries for prescription drugs that were never purchased or dispensed.

If convicted, Balyasny and Shrayber face a maximum sentence of 10 years in federal prison. A complaint merely contains allegations and defendants are presumed innocent unless and until proven guilty at trial.

Today's charges were announced by Assistant Attorney General Lanny A. Breuer of the Criminal Division, U.S. Attorney Loretta E. Lynch of the Eastern District of New York, Assistant Director-in-Charge Janice K. Fedarczyk of the FBI's New York field office and Special Agent-in-Charge Thomas O'Donnell of the HHS-OIG.

The case is being prosecuted by Trial Attorney James Hayes of the Criminal Division's Fraud Section. HHS-OIG and FBI conducted the investigation.

Since their inception in March 2007, Strike Force operations in nine locations have charged more than 1,000 defendants who collectively have falsely billed the Medicare program for more than \$2.3 billion. In addition, the HHS Centers for Medicare and Medicaid Services, working in conjunction with the HHS-OIG, are taking steps to increase accountability and decrease the presence of fraudulent providers.

2. Vt. nursing aide gets 3 months for drug theft

MIDDLEBURY, Vt. (AP) - A nursing aide formerly employed at a Middlebury long-term care facility is heading to jail for three months after pleading guilty to abusing an elderly patient by stealing his pain medication.

Attorney General William Sorrell says 59-year-old Robyn Page of Brandon was working as a licensed nursing assistant at the Lodge at Otter Creek when she took about 18 Oxycodone pills from a patient who needed them for pain.

Page pleaded guilty on Monday to two charges: abuse of a vulnerable adult and obtaining a regulated drug by deceit.

Sorrell says Page tried to cover her actions by replacing the Oxycodone pills with generic Tylenol.

She got a total sentence of one to three years, with all but 90 days suspended.

3. Conspired to Distribute Oxycodone (NJ)

August 2, PhillyBurbs.com – (New Jersey) Former TD Bank worker indicted in fraud scheme that included county branches.

A federal grand jury July 28 indicted a former TD Bank employee for her alleged role in a scheme involving fraudulent withdrawals totaling nearly \$70,000 from branches in Burlington and Camden counties in New Jersey between October 2010 and February 2011.

The 27-year-old of Philadelphia was charged with conspiracy, bank fraud, and aggravated identity theft, states an indictment filed July 28 with the U.S. attorney's office in Philadelphia. The woman, who worked as a call-center representative and then as a customer-service representative, faces a maximum sentence of 41 years in prison, a fine of \$2 million, and 5 years of supervised release if convicted. The indictment alleges a co-conspirator provided Social Security numbers to the woman in exchange for account information.

The co-conspirator then used the improperly obtained data to withdraw \$67,800 from three accounts using check runners who presented fake identification to access the accounts, the indictment says.

A federal complaint filed against the co-conspirator and another accomplice alleges the two executed, aided, and abetted a scheme to defraud a federally insured bank; committed, aided, and abetted aggravated identity theft; and possessed and conspired to distribute Oxycodone.

TD Bank officials confirmed August 1 the woman no longer is employed with the company, and that the affected customers were notified

4. Twenty-Six Indicted in Drug Distribution Investigation That Led to Uncovering of Massive Health Care Fraud Twenty-Six Indicted in Drug Distribution Investigation That Led to Uncovering of Massive Health Care Fraud Twenty-Six Indicted in Drug Distribution Investigation That Led to Uncovering of Massive Health Care Fraud

Twelve Pharmacists, Four Doctors, an Accountant, and a Psychologist Among Those Charged in Scheme Alleging Criminal Activity at Over 20 Pharmacies Statewide
Twenty-Six Indicted in Drug Distribution Investigation That Led to Uncovering of Massive Health Care Fraud

U.S. Attorney's Office August 02, 2011

• Eastern District of Michigan (313) 226-9100

— filed under: Breaking News, Press Release

An indictment returned by a federal grand jury in Detroit was unsealed today, charging 26 individuals for their participation in a large-scale health care fraud and drug distribution scheme, United States Attorney Barbara L. McQuade announced today. McQuade was joined in her announcement by Special Agent in Charge Robert L. Corso of the Drug Enforcement Administration, Special Agent in Charge Andrew G. Arena of the Federal Bureau of Investigation, and Lamont Pugh, Special Agent in Charge of the Inspector General of the Department of Health and Human Services.

"Health care fraud steals funds from programs designed to benefit patients, and we all pay for it," U.S. Attorney McQuade said. "Federal and state investigators have teamed up in recent months to detect and prosecute those who commit health care fraud, and we hope that the strength of our efforts will have a deterrent effect."

Robert L. Corso, Special Agent in Charge of DEA's Detroit Field Division stated, "Confronting the illegal diversion and abuse of controlled pharmaceuticals is a top priority of DEA and our law enforcement partners. Today's arrests and the allegations in the indictment bring to light one of the largest diversion conspiracies ever uncovered in the state of Michigan. The allegations against these 26 individuals, particularly of the medical professionals, are significant. These individuals abused their positions of trust and endangered the lives of countless people by illegally distributing more than 6 million doses of opiate painkillers and depressants throughout southeast Michigan and beyond. This indictment makes it clear that the DEA and our partners in law enforcement will continue to investigate and bring to justice those individuals that are responsible for the illegal distribution of prescription medicines."

FBI Special Agent in Charge Arena stated, "Health care fraud and the abuse/diversion of prescription medications are increasing criminal threats to the United States. Dishonest health care providers involved in fraudulent activities frequently exploit Medicare and Medicaid through fraudulent billing schemes which abuse tax payer's dollars. The FBI remains committed to investigating this type of fraud and bringing these individuals to justice."

"The diversion of prescription medications coupled with the fraudulent billing of Medicare creates a toxic scenario that can place a individual's health and safety at risk as well as taxpayers dollars," said Lamont Pugh III, Special Agent in Charge of the Chicago Region for the U.S. Department of Health and Human Services, Office of Inspector General. "The OIG will continue to work with our law enforcement partners to hold those who seek to harm the Medicare program accountable."

The 34-count indictment alleges that Babubhai "Bob" Patel, 49, a Canton pharmacist, was the beneficial owner and controller of some 26 pharmacies statewide (referred to in the indictment as "the Patel Pharmacies"). Babubhai Patel concealed his ownership and control over many of the Patel Pharmacies through the use of straw owners. The indictment alleges that Babubhai Patel would offer and pay kickbacks, bribes, and other inducements to physicians, in order to induce those physicians to write prescriptions for patients with Medicare, Medicaid, and private insurance, and to direct that those prescriptions be presented to one of the Patel Pharmacies for billing. In exchange for their kickbacks and inducements, the medical professionals would write prescriptions for the patients, and bill the relevant insurers for services supposedly provided to the patients, without regard to the medical necessity of those prescriptions and services. The physicians would direct the patients to fill their prescriptions at one of the Patel Pharmacies. There, according to the indictment, Babubhai Patel and his pharmacists would bill insurers, including Medicare, Medicaid, and private insurers, for dispensing the medications, despite the fact that the medications were medically unnecessary and/or never provided. Patients were recruited into the scheme by patient recruiters, who would pay kickbacks and bribes to patients in exchange for the patients' permitting the Patel Pharmacies (and the physicians associated with Patel) to bill their insurance for medications and services that were medically unnecessary and/or never provided.

The indictment further alleges a conspiracy to distribute controlled substances at the Patel pharmacies, a purpose of which was to facilitate the submission of false and fraudulent claims to Medicare, Medicaid, and private insurers in accordance with the scheme outlined above. According to the indictment, Babubhai Patel and his associates paid physicians and podiatrists associated with the scheme kickbacks and other inducements in exchange for the medical professionals writing prescriptions for controlled substances for their patients, and directing those patients to fill the prescriptions at a Patel Pharmacy. The controlled substances involved included the Schedule II drug OxyContin, the Schedule III drug Vicodin, the Schedule IV drug Xanax, and the Schedule V drug cough syrup with codeine. According to the indictment, prescriptions for these drugs were written outside the course of legitimate medical practice. Babubhai Patel and his pharmacists would then dispense the controlled drugs to patients without medical necessity. The distribution of controlled substances in this manner was intended, in part, as a kickback to the patients for agreeing to enable their insurance cards to be billed for medications purportedly dispensed at the Patel Pharmacies. The indictment also alleges that Babubhai Patel and his pharmacists dispensed controlled substances outside the scope of legitimate medical practice to patient recruiters, as a kickback for their efforts to recruit patients into the scheme.

According to the indictment, the Patel Pharmacies billed the Medicare program not less than \$37.7 million for medications purportedly provided to Medicare beneficiaries over the course of the scheme (since January 2006), and not less than \$20.8 million for medications purportedly provided to Medicaid beneficiaries over the course of the scheme. The indictment further alleges that since January of 2009, the Patel Pharmacies have dispensed not less than 250,000 doses of OxyContin, not less than 4.6 million doses of Vicodin, not less than 1.5 million doses of Xanax, and not less than 6,100 pint bottles of codeine cough syrup.

In addition to Babubhai Patel, those named in the 34-count indictment were physician Paul Petre, 43, of Rochester Hills; pharmacist Dinesh Kumar Patel, 33, of Canton; pharmacist Anish Bhavsar, 35, of Canton; pharmacist Ashwini Sharma, 33, of Novi; pharmacist Pinakeen Patel, 32, of Sterling Heights; pharmacist Kartik Shah, 34, of Canton; pharmacist Viral Thaker, 30, of Findlay, Ohio; pharmacist Hiren Patel, 31, of Novi; pharmacist Mitesh Kumar Patel, 37, of Troy; pharmacist Lokeh Tayal, 35, of Canton; pharmacist Narendera Cheraku, 33, of Farmington Hills; accountant Chetan Gujarathi, 38, of Canton; business associate Arpit Kumar Patel, 26, of Romulus; business associate Sumanray Raval, 54, of Farmington Hills; business associate Harpreet Sachdeva, 38, of Canton; business associate Ramesh Patel, 50, of Canton; business associate Rana Naeem, 60, of Rochester Hills; podiatrist Anmy Tran, 40, of Macomb; physician Mark Greenbain, 69, of Farmington Hills; physician Mustak Vaid, 38, of Brownstown Township; psychologist and patient recruiter Sanyani Edwards, 32, of Ferndale; business associate Komal Acharya, 27, of Farmington Hills; patient recruiter Leodis Elliott, 41, of West Bloomfield; and patient recruiter LaVar Carter, 34, of Macomb.

The investigation of this case was handled by the Drug Enforcement Administration, the Federal Bureau of Investigation, and the Department of Health and Human Services Office of Inspector General. Assisting in the investigation were the United States Marshals Service, Homeland Security, Immigration and Customs Enforcement, the Michigan Attorney General's Office, the State of Michigan Department of Community Health, Gross Ile Police Department, River Rouge Police Department, Livonia Police Department, Livingston County Sheriff's Department, Dearborn Heights Police Department, and the Clinton Township Police Department. The case is being prosecuted by Assistant U.S. Attorneys John K. Neal and Wayne F. Pratt.

An indictment is only a charge and is not evidence of guilt. A defendant is entitled to a fair trial where it will be the government's burden to prove guilt beyond a reasonable doubt

5. Surgeon faces drug charges

01:00 AM EDT on Thursday, August 4, 2011

By Katie Mulvaney Journal Staff Writer

The Providence Journal / Bob Thayer

PROVIDENCE — A doctor who federal agents say acknowledged performing surgery while under the influence of drugs appeared in U.S. District Court Wednesday to face charges that he conspired with a coworker to distribute painkillers and other drugs using phony prescriptions.

Dr. Robert J. Villarreal, 33, and Gary Menissian, 49, an orthopedic assistant at Rhode Island Hospital, appeared before U.S. Magistrate Judge Lincoln D. Almond. Villarreal and Menissian are accused of conspiring to distribute prescription drugs to eight Rhode Island Hospital employees using fake or forged prescriptions, according to Assistant U.S. Attorney Adi Goldstein.

Court records show that Villarreal, an orthopedic surgeon, told investigators a doctor prescribed him Adderall a couple of years ago and that he began forging prescriptions after he began using more pills than prescribed. Adderall, referred to as “cognitive steroids” and “college crack,” is a stimulant used to treat attention-deficit hyperactivity disorder. It is said to increase energy and alertness and is subject to abuse, particularly on college campuses.

From July 2009 to this June, he wrote himself 55 prescriptions for the painkillers Percocet and Vicodin as well as Adderall by forging the name of a doctor he completed his residency with who now works in Saranac, N.Y., an affidavit by U.S. Drug Enforcement Administration Special Agent Todd F. Prough shows. The doctor told investigators he wrote a prescription for Villarreal for an anti-anxiety drug several years ago with the understanding that it would tide Villarreal over until he could see his own physician.

According to the affidavit, agents learned last month that several people were filling prescriptions for Adderall, Vicodin and Percocet authorized by Villarreal. One, who worked with him at Rhode Island Hospital, agreed to act as a cooperating witness. He told investigators he complained to Menissian about difficulty staying awake and Menissian told him Villarreal could write him prescriptions for Adderall.

In return, Villarreal would also prescribe him Vicodin and he would then give the Vicodin to Villarreal. The witness said he received more than 20 such prescriptions and would turn over the Vicodin to Villarreal or Menissian, the affidavit shows. Menissian, too, was filling prescriptions authorized by Villarreal.

On July 28, the witness agreed to meet Menissian at the CVS at Rhode Island Hospital, records show. There he filled prescriptions for Adderall and Vicodin. On Tuesday, the witness agreed to meet Villarreal at the parking garage behind the hospital. Agents confronted Villarreal with the Vicodin bottle in hand, the affidavit says.

Villarreal told the agents he took about 20 Adderall a day and also forged prescriptions for Vicodin and Percocet in other doctors' names. Surveillance videos also show him filling phony prescriptions for the anti-anxiety drug Ativan.

“Villarreal also told me that he had performed orthopedic surgeries while under the influence of pharmaceuticals he was not prescribed,” Prough wrote.

Villarreal shook his head and gave his girlfriend a weak smile as he entered the courtroom wearing prison khakis. Both men are charged with obtaining a controlled substances by false prescription; distribution of controlled substances; and conspiracy.

Almond released Villarreal on a \$50,000 appearance bond and ordered him to enroll in substance-abuse and mental-health counseling. He was ordered not to contact any of the witnesses. He surrendered his U.S. Drug Enforcement Administration license to prescribe drugs.

“The court is aware that drug addiction is an up and down thing,” said Almond in urging Villarreal to be honest with counselors.

Almond released Menissian on a \$10,000 appearance bond and ordered him not to contact witnesses. Almond directed that he be evaluated for potential substance-abuse issues, to which Menissian shook his head no. Neither man has a prior criminal record.

The website for the School of Medicine at Brown University shows that Villarreal graduated from Brown in 2001 and earned a medical degree from the university's School of Medicine four years later. He completed his orthopedic residency at Brown in 2010 and specializes in knees and shoulders. He is affiliated with Rhode Island and Miriam hospitals in Rhode Island, it says. Veterans Administration records indicate he is a contract physician at the Providence VA Medical Center, according to the affidavit.

A spokeswoman at Rhode Island Hospital said Villarreal was an orthopedic resident there from July 2005 to June 2010, at which time he was always supervised by an attending physician while in an operating room. From July 2010 through June 2011, Villarreal was a one-year junior attending physician/trauma fellow. During that time, his work continued to be monitored and supervised. That fellowship expired on June 30, 2011, and his privileges at Rhode Island Hospital have been revoked as of Wednesday, Gail Carvelli said. Villarreal is not affiliated with Miriam, she said.

Menissian, she said, was suspended from his job at Rhode Island Hospital Wednesday.

Villarreal holds an active medical license that will be reviewed by the Board of Medical Licensure and Discipline, said Health Department spokeswoman Annemarie Beardsworth. Menissian holds a license as a nursing assistant that will also be reviewed.

6. Pharmacy company executive charged with illegally distributing drugs without prescriptions

LOUISVILLE, Ky. — The one-time owner of an online pharmacy company has been charged with illegally dispensing controlled substances without prescriptions, misbranding drugs and trying to hide the payments for the medications.

A federal grand jury in Louisville on Tuesday charged 44-year-old Stacy Allen Taylor, the former owner of Health PMO, with conspiracy to illegally distribute and dispense controlled substances, misbranding drugs, wire fraud and conspiring to commit money laundering.

According to the indictment, Taylor used multiple web addresses to fill hundreds of prescriptions and made nearly \$790,000.

The indictment charges that Taylor made wire transfers from a bank account in Louisville to an account in Cyprus to hide the source of the drugs sold through Health PMO.

Taylor is scheduled to appear for arraignment on Aug. 23 following extradition from Hong Kong.

7. Two former Western Colorado Doctors Indicted for illegally prescribing controlled substances.

PRESCRIPTIONS DOCTORS WROTE WERE RESPONSIBLE FOR A TOTAL OF FOUR DEATHS

DENVER — Two Western Colorado doctors, Sam Jahani, M.D., age 49 of Cleveland, Texas, and Eric Peper, D.O., age 53 of Summerland Key, Florida, were indicted by a federal grand jury on August 3, 2011, on charges related to health care fraud, money laundering and dispensing controlled substances in which four cases resulted in death. Jahani was arrested by federal agents without incident in Texas. Peper has yet to be arrested. Jahani will make an appearance in U.S. District Court in Beaumont, Texas this afternoon. No court appearance has yet been set for Peper. At a later date, after they appear in their home districts, they will be ordered to appear in U.S. District Court in Colorado.

According to the indictment, which was unsealed at the time the defendants were arrested, between January 1, 2006, and April 30, 2010, in Colorado, Jahani and Peper did knowingly and willfully execute and attempt to execute a scheme to defraud health care benefit programs, namely Medicaid, Medicare, and commercial health care plans, and to obtain, by means of

material false and fraudulent pretenses, money and property owned by and under the custody and control of these health care benefit programs, in connection with the delivery of and payment for health care benefits, items and services.

Specifically, Jahani operated a medical business called Urgent Care, Inc. which was formed on November 1, 2005. He conducted business using the Urgent Care name at three locations: 1) 164 West 3rd Street in Delta, Colorado; 2) 2305 South Townsend Avenue, Unit B in Montrose, Colorado; and 3) 517 North 1st Street in Grand Junction, Colorado. Peper was an employee of Jahani, and worked at the Delta and Grand Junction offices.

Jahani and Peper allegedly prescribed controlled substances to patients without determining a sufficient medical necessity for the prescription to patients in a manner which was inconsistent with the usual course of professional practice and for other than legitimate medical purposes. Further, they caused patients to fill prescriptions for controlled substances at various pharmacies, allowing the pharmacies to file claims and obtain reimbursement for those prescriptions from health care benefit programs used by the patients submitting the prescriptions. As part of the scheme, Jahani and Peper prescribed controlled substances in quantities and dosages that would cause patients to abuse, misuse, and become addicted to the controlled substances. They also allegedly prescribed controlled substances to patients knowing that their patients were addicted to the controlled substances, misusing the controlled substances, or "doctor-shopping". They also prescribed controlled substances knowing that their prescribing endangered their patients' lives, and if taken as directed, their prescriptions would be expected to result in accidental fatal overdoses. The controlled substances prescribed to patients were of such strength that their prescribing became a contributing factor in the patients' overdose deaths. The prescriptions written by both doctors included Schedule II pain killers, including Oxycodone (such as Percocet and OxyContin), Morphine, Methadone and Fentanyl; Schedule III pain killers, (such as Vicodin); and Schedule IV anti-anxiety medications, such as Xanax, Valium, Ativan Ambien and Klonopin. As a result of the doctor's prescription practices, the indictment alleges that four people died.

Also, the two doctors knowingly falsified, and caused to be falsified, medical records. They engaged in "upcoding" to be paid more money from health care benefit programs, and Jahani billed patients and caused patients to be billed for services not rendered, including services claimed to have been provided to patients after the patients' death. Lastly, Jahani and Peper and others performed acts and made statements to hide, conceal, and cause to be hidden and concealed, the fraudulent scheme and the acts committed in furtherance thereof.

"We count on medical doctors to use their training, skill and judgment to provide the best possible care for their patients," said U.S. Attorney John Walsh. "Our medical system requires doctors to properly bill health care benefit programs, and when they don't, they can face criminal consequences. Also, when, as in this case, doctors neglect their responsibilities and abuse the authority they are given to prescribe medications in order to make money while risking the health of their patients, we will act to protect the public with aggressive prosecution efforts."

"Illegal distribution and abuse of prescription drugs remains a serious issue facing our state and nation," said DEA Acting Special Agent in Charge Kevin Merrill. "Doctors Jahani and Peper were in a position of trust, and they failed the community they serve. DEA will continue to use our resources to investigate this type of drug trafficking offense to help prevent prescription drugs from being diverted into the wrong hands and endangering the health and public."

If convicted, Jahani faces life in federal prison, and up to a \$250,000 fine for each of the three counts of healthcare fraud resulting in death. He faces not more than 10 years in prison and up to a \$250,000 fine for two counts of health care fraud. He faces not more than 20 years in prison, and up to a \$500,000 fine for one count of money laundering conspiracy. He faces not more than 20 years, and up to a \$500,000 fine, or twice the value of the property involved, whichever is greater, for ten counts of money laundering. He faces not less than 20 years in prison and up to life, and a fine of not more than \$1,000,000 for each of the three counts of dispensing a controlled substance resulting in death. He faces not more than 20 years in prison, and up to a \$1,000,000 fine, for each of the twenty counts of illegally dispensing a controlled substance. He lastly faces

not more than 10 years in prison, and up to a \$500,000 fine for one count of illegally dispensing a controlled substance.

If convicted, Peper faces life imprisonment, and not more than a \$250,000 fine for one count of healthcare fraud resulting in death. He faces not more than 10 years, and up to a \$250,000 fine, for each of five counts of healthcare fraud. He faces not more than 20 years imprisonment, and up to a \$500,000 fine, or twice the value of the property involved, whichever is greater, if convicted on one count of money laundering conspiracy. He faces not more than 20 years in prison, and up to a \$500,000 fine, or twice the value of the property involved, whichever is greater, for each of the three counts of money laundering. He faces not less than 20 years, and up to life imprisonment, and up to a \$1,000,000 fine for two counts of dispensing a controlled substance resulting in death. He faces not more than 20 years, and up to a \$1,000,000 fine, for each of twenty-four counts of illegally dispensing a controlled substance. Lastly he faces not more than 10 years in prison, and up to a \$500,000 fine for each of two counts of illegally dispensing a controlled substance.

This case was investigated by the Drug Enforcement Administration (DEA), Health and Human Services Office of the Inspector General (HHS OIG), Western Colorado Drug Task Force/Grand Junction Police Department, State of Colorado Attorney General's Medicaid Fraud Control Unit and IRS-Criminal Investigation.

The case is being prosecuted by Assistant U.S. Attorney Michelle Heldmyer.

The charges contained in the indictment are allegations, and the defendants are presumed innocent unless and until proven guilty.

8. Bradenton doctor faces federal drug charge

TAMPA -- A Bradenton physician has been charged with seven counts of illegally distributing drugs, the United States Attorney Office Middle District said in a media release.

If convicted on all counts Aimee Martin faces a maximum penalty of 20 years in federal prison, a media release said. Martin is accused of illegally prescribing Oxycodone and Hydrocodone on seven occasions between September 2009 and May 2010, according to the indictment.

9. Pharmacist caught for under the counter distribution

On July 27, the Sublette County Attorney's Office petitioned for and received an arrest warrant from the Sublette County Circuit Court for Daniel resident Tanya Thompson on charges of larceny, possession of a controlled substance with the intent to deliver and distribution of a controlled substance to a minor.

According to court documents, Thompson, a licensed pharmacist at Ridley's Family Market in Pinedale, stole a bottle of 500 hydrocodone pills for the purpose of giving them to a Big Piney resident Tyler Smith, a minor. The pills were only discovered when Smith was stopped for a traffic violation and Sublette County Sheriff's Office (SCSO) Deputy Landon Call found the pills in his vehicle.

According to SCSO Detective Logan Gehlhausen's affidavit, the bottle found in Smith's car had no prescription attached and was labeled "Hydrocodone Bitartrate and Acetaminophen 10mg/500mg [milligrams]." Hydrocodone, also known by the brand name Vicodin, is a prescription drug in the opiate family used to treat severe pain. It is a schedule III controlled substance.

Gehlhausen stated interviews with both Thompson and Smith revealed this was the second bottle of Hydrocodone she had supplied to the minor. The first was 90 pills and had come from a prescription Thompson reportedly admitted to believing was fraudulent. In an interview with

Gehlhausen, Smith admitted the prescription was fraudulent, the affidavit states.

After realizing the prescription for the hydrocodone was not authentic, Gehlhausen stated, Thompson didn't call the SCSO and erased records of it from the pharmacy computer system. According to the affidavit, Thompson had intended to cover up her mistake by replacing the original 90 pills with some from the bottle of 500 she stole and returning the originals to the pharmacy.

Thompson's charges include four felonies and a misdemeanor, the most severe of which – distributing a controlled substance to a minor – carries jail time of up to 20 years.

According to an affidavit from SCSO Detective Toby Terrell, Smith also had intentions to distribute the drug, and by the end of July 20, the day Thompson delivered the pills, he had already sold or given away 32 hydrocodone pills to Josh Eiden, Warren Phillips and Christopher Manning.

The Sublette County Attorney's Office has charged Smith as an adult with similar crimes as Thompson, namely possession of a controlled substance, possession with the intent to deliver and the distribution of said controlled substance, all of which are felonies. Each distribution charge, of which there are three, can carry a sentence of up to 10 years in jail.

In an unrelated incident, Smith was also charged with a felony count of burglary and a misdemeanor count of larceny for stealing an off-road motorcycle wheel from Tagg Guio's garage in Big Piney in June. According to SCSO Detective Shane Templar's affidavit on the incident, Smith admitted to stealing the wheel and placing it on Scotty Thompson's bike "because [Thompson] needed a front wheel."

According to the Drug Enforcement Agency (DEA), hydrocodone is also the second most prevalent prescription drug to be abused or distributed illegally. Such unlawful use and abuse of hydrocodone has continued to steadily rise since 2001, jumping nearly 125 percent in the first half of the decade, a DEA report states.

As its abuse grows, its impact widens, touching all demographic groups, but particularly school-aged children. The 2010 Monitoring the Future Survey found that, nationwide, 8 percent of high school seniors had taken the drug in the previous year.

High doses of hydrocodone can easily become addictive, according to the DEA, and, when combined with acetaminophen, also known as Aspirin, can lead to severe liver damage. Hydrocodone can also cause death. According to the American Association of Poison Control Centers, there were 31 deaths associated with hydrocodone in 2009, and the Drug Abuse Warning Network reported an estimated 86,258 emergency room visits due to the non-medical use of the drug.

Thompson is scheduled to appear in court Aug. 22, and Smith is scheduled for Aug. 23.

10. Physician Assistant arrested for alleged Rx drug fraud-Utah

12:02 p.m. MDT, August 12, 2011, Cottonwood Heights, Utah—

Cottonwood Heights police arrested 49-year-old Cory Britton, a physician assistant, who allegedly wrote out unwarranted drug prescriptions for himself.

After a six-week investigation, police arrested Britton at his home. They say he committed drug fraud while working at a Cottonwood Heights' FirstMed urgent care facility.

Earlier, Cottonwood police decided to assign a detective to work solely on drug fraud cases after a local middle school student died of a pain pill overdose last December.

Handcuffed, wearing a suitcoat, Britton was escorted Thursday out of his home and into an officer's truck.

FOX 13's Scott McKane asked him how he felt about the charges before being taken away:

"I don't have any comment. My life's over," Britton said.

Police say that Britton had been writing illegal prescriptions for months. Police believe he provided most for himself.

"I believe for the most part it was for [Britton's] personal consumption," said Cottonwood Height Police Sgt. Dave Broadhead.

Police first learned about Britton from a pharmacist who noticed irregularities in prescriptions Britton was allegedly writing and picking up.

"And it might have been going to other individuals but right now, all we know is he was writing prescriptions under fictitious names for himself," says Broadhead.

Angie Watson, whose son died of an prescription pill overdose, worked with police as a way to make sure her son's death was not in vain. Watson's son, Connor, died last November.

Britton apparently worked at FirstMed for several years. No one there wanted to comment on the case, except to say they cooperated fully with police and confirmed that Britton no longer works there

11. Doctor indicted on drug charges amid investigation by St. Petersburg police and DEA.

An investigation by St. Petersburg police and the federal Drug Enforcement Administration has led to the indictment of a doctor on charges that she wrote illegal prescriptions for painkillers.

The indictment alleges that between September 2009 and May 2010, Dr. Aimee Joy Martin, 35, wrote illegal prescriptions for oxycodone and hydrocodone. She faces seven charges of illegally prescribing pain pills, according to a news release from the U.S. Attorney's Office.

If convicted, Martin, who is now practicing in Bradenton, could get 20 years in prison, the news release states.

Federal officials also intend to take away her medical license and Drug Enforcement Administration registration, the news release states.

No other details about the case were released Thursday.

On her practitioner information page on the Florida Health Department's website, Martin self-reported that she had never been the subject of any disciplinary action within the past 10 years and had never been asked to resign from a post.

12. Detectives Arrest Three Health Care Industry Employees in Separate Prescription Drug Related Cases

Detectives assigned to the Narcotics Strategic Diversion Task Force have arrested three health care industry employees in separate and unrelated prescription drug cases.

The physician's assistant, identified as a 55-year-old Vanessa Y. Jewell was arrested late Thursday August 11, 2011 for delivery of a controlled substance to two people..

Detectives began this investigation on August 2, 2011 after receiving a tip that Jewell, had provided two adult associates with several Oxycodone pills.

During the course of the investigation, detectives learned that Jewell is employed as a Physician's Assistant at a local hospital. Detectives were able to further ascertain that the pills were delivered off the hospital property at an undisclosed location in June of 2011. Detectives say Jewell is not authorized to provide narcotics to patients on or off hospital property.

Investigators say that Jewell was uncooperative when they attempted to interview her; and remained uncooperative when she was arrested.

The pediatric dental office employee, identified 34-year-old Dana Sutton was arrested on Friday, August 12, 2011 for one count obtaining a controlled substance by fraud .

Detectives say that on July 25, 2011 Sutton attempted to pass a fraudulent prescription at a local pharmacy. Pharmacy personnel identified the prescription as fraudulent and notified law enforcement.

Through their investigation, detectives determined that Sutton had been obtaining controlled substances by fraud from this same pharmacy since June of 2010. It was further determined that Sutton worked for a pediatric dental office and had used her position to obtain the prescription. She subsequently filled it out and passed it at the pharmacy. Sutton is not authorized to write prescriptions.

Sutton was cooperative during the interview and during her arrest.

The x-ray technician, identified as 40-year-old Robert Cales was arrested on August 12, 2011 for two counts obtaining a controlled substance by fraud.

Detectives say that on August 5, 2011 they received information that the suspect wrote a fraudulent prescription for Hydrocodone and had attempted to have it filled at a local pharmacy.

The investigation further determined that Cales had also written a prescription for the same medication during the month of June 2011; and had it filled.

Detectives say Cales used his position to obtain prescriptions from his employer. Cales is not authorized to write prescriptions in his capacity.

Cales was cooperative during the interview and during the arrest. The investigations continue.

13. Natick doctor facing drug charges

By Associated Press

Wednesday, August 17, 2011 - Added 47 minutes ago

NATICK -- A doctor with an office in Natick who had her license to practice restricted by state officials is now facing charges for allegedly supplying three patients with more than 58,000 Percocet pills in a three-year period.

Prosecutors say Kathleen Porter of Needham was indicted Tuesday on nine counts of illegally prescribing controlled substances and one charge of lying on a prescribing license application.

No arraignment date has been scheduled.

Police investigated after a Framingham pharmacist notified them that one patient was filling an inordinate number of prescriptions. Police discovered the prescriptions were being written by the 59-year-old Porter.

Prosecutors say she often prescribed Percocet without examining the patients who told police they were addicted.

Porter has refused comment.

14. Doctor: 450 pills for patient was 'appropriate'

SALT LAKE CITY -- A Brigham City doctor acknowledged Tuesday he once prescribed 450 pain pills in 37 days for a patient but testified the drugs were "appropriate medicine" and "had no reason to doubt" the man's intentions.

Dewey C. MacKay, 64, has pleaded not guilty to illegally prescribing millions of painkillers to thousands of patients without evaluating their conditions or proving basic examinations. Prosecutors claimed in opening statements that recklessness led to two patients' deaths, but MacKay faces charges stemming from only one death in 2006.

MacKay took the stand Monday in his defense, testifying that he was trying to help people, and that he had their best interest at heart and trusted his patients. The Salt Lake City courtroom was packed with dozens of MacKay's family members and supporters.

Assistant U.S. Attorney Richard W. Daynes cross-examined MacKay on Tuesday, asking the doctor about a female patient he had seen two days after she had slashed her wrists in a suicide attempt.

MacKay acknowledged that he failed to obtain a medical history that would have shown she was battling depression. "I was seeing her for her back, not for her arms," MacKay said. "I didn't notice the bandages."

MacKay said he learned another patient had been doctor-shopping to obtain pills but acknowledged giving him a prescription anyway as he intended to closely monitor him.

"I monitored him to my satisfaction," MacKay testified.

Had MacKay checked the state database that tracks controlled substances, Daynes argued, he would have discovered that patient was seeing a dozen different medical providers to obtain drugs.

MacKay originally was charged with 130 felonies in what prosecutors at the time said might be the largest indictment ever handed down in the state. They have dropped 45 counts.

State records show MacKay issued more than 37,700 prescriptions for hydrocodone and oxycodone between June 2005 and October 2009, totaling more than 3.5 million pills.

Prosecutors focused the case on 12 specific patients, though they contend MacKay had a revolving door of hundreds who sought pain medications from the one-time orthopedic surgeon.

MacKay called it "a gross exaggeration" that he was seeing as many as 120 patients in an 8-hour day. He testified that it was "probably again an exaggeration" that he saw as many as 60 patients in a 3 1/2-hour span.

The first two counts of the indictment allege MacKay's distribution of the controlled substances resulted in one patient's death in 2006. If convicted on those charges alone, he could spend 35 years in prison and be ordered to pay \$2.5 million in fines.

The other charges of illegally prescribing and distributing a controlled substance carry sentences of up to 20 years in prison and fines of \$1 million each.

Attorneys on both sides rested their case Tuesday, and closing arguments were set to begin Wednesday morning in U.S. District Court.

15. California doctor charged in drug ring inquiry

By THE ASSOCIATED PRESS Published: August 19, 2011

A doctor who last year wrote nearly a million prescriptions for the painkiller hydrocodone has been charged in a strike against a ring that smuggled prescription drugs to Mexico from the United States, according to an indictment obtained Friday.

The unusual operation brought a flood of the pills to Tijuana pharmacies, where American addicts snapped them up over the counter on jaunts from San Diego, investigators said. The authorities speculated that it was easier for smugglers to unload pills at those loosely regulated pharmacies than to distribute them in small amounts through American street dealers.

The doctor, Tyron Reece, 71, a general practitioner in Inglewood, was arrested in the 17-month investigation. He wrote 920,000 prescriptions last year for hydrocodone, which is commonly sold under the brand names Vicodin and Lortab, the authorities said.

16. 84-year-old Wayne psychiatrist arrested on drug charges is free on \$1M bail

Tuesday, August 16, 2011 Last updated: Wednesday August 17, 2011, 9:24 AM
BY RICHARD COWEN, JOHN C. ENSSLIN AND MATTHEW MCGRATH
STAFF WRITERS
The Record

An 84-year-old psychiatrist who practiced from her home in Wayne was arrested Tuesday and charged with illegally issuing prescriptions for the powerful pain medication oxycodone.

Dr. Priscilla G. Ilem appeared in U.S. District Court in Newark hours after federal Drug Enforcement Administration agents and Wayne police raided her home on Alps Road, where she practiced psychiatry on a part-time basis. Ilem was charged with distributing a controlled dangerous substance beyond the bounds of a medical process.

Judge Patty Shwartz set bail at \$1 million and ordered the woman, a native of the Philippines, to surrender her passport. Ilem was freed after assuring the court that she would post the \$1 million bond by Thursday.

As a condition of her bail, Ilem is not allowed to continue dispensing drugs until the criminal charge against her is resolved.

Ilem, whose career in psychiatry includes a previous license suspension and service with a medical unit in the U.S. Army Reserve, was arrested after an undercover sting operation. She could lose her license permanently and also faces a maximum 20-year sentence if convicted of the felony drug distribution charge.

Ilem was led into the courtroom by U.S. marshals and stood before the judge in handcuffs and leg irons. She answered a meek "yes" when the judge asked if she understood her rights.

In early June, Wayne police learned through parents of younger patients and confidential informants that Ilem was over-prescribing pain medications, said Capt. James Clarke, a Wayne police spokesman.

The DEA sent an undercover operative posing as a patient to see Ilem, and according to a complaint filed in federal court on Tuesday, the doctor “knowingly and intentionally issued prescriptions for oxycodone outside the usual course of professional practice” — apparently on numerous occasions.

The complaint says that “at one Walgreens Pharmacy during June and July, 238 patients filed 291 prescriptions for oxycodone written by Ilem. In addition, Ilem allegedly prescribed oxycodone to undercover DEA agents four times in July, “during office visits which lasted an average of 10 minutes each, involved no physical examination or testing whatsoever, and for which Ilem charged a cash fee of \$200,” the complaint says.

As a psychiatrist, Ilem has a license to prescribe so-called Schedule II narcotics like oxycodone, which is a powerful painkiller considered twice as potent as morphine.

But the complaint says that when undercover “patients” visited her, Ilem claimed she “never” prescribes narcotic medications, saying she “would not be able to sleep” if she gave her patients something that powerful.

“Ilem stated that if she had a patient who had trouble sleeping and a back problem she would tell them that she is a psychiatrist, not a pain management doctor, and suggest that they see a pain management doctor because she does not prescribe ‘them,’ (referring to narcotic pain medications),” the complaint says.

Although Ilem entered a plea of not guilty Tuesday, the complaint states that she admitted prescribing the drugs after she was arrested. She allegedly told investigators that beginning in May she began writing oxycodone prescriptions to patients in their early 20s and 30s who claimed to have physical pain, but she did not perform physical examinations on most patients or require any medical documentation. The complaint further states that Ilem admitted that in the ensuing months, the number of young patients visiting her office for oxycodone increased dramatically and she stopped writing prescriptions in late July.

Her attorney, Paul B. Brickfield, said it remains to be seen whether Ilem’s actions rise to the level of criminal behavior, or whether she was simply prescribing drugs as part of her work as a doctor.

“It’s not illegal for Dr. Ilem to prescribe oxycodone,” Brickfield said. “We’ll have to see what was said [in the taped conversations with DEA informants.]”

Brickfield said Ilem has been practicing psychiatry for more than 40 years, and served in the Army Reserve from 1982 through 1995. She was attached to the 187th Medical Battalion, and rose to the rank of colonel. She’s done numerous psychiatric evaluations of children for the Superior Court in Passaic County, he said. “She has a very distinguished record,” Brickfield said.

Tuesday’s arrest was not the first time that Ilem has been in trouble for over-prescribing drugs, however.

In 2001, Ilem was ordered to surrender her license to prescribe medications after a DEA investigation. The DEA investigation alleged that she had postdated a prescription, distributed controlled dangerous substances from her office, failed to keep proper records, failed to keep medications in their proper containers, and prescribed a medication to a patient without an examination.

Then in 2005, the state Attorney General’s Office filed a complaint with the state Board of Medical Examiners alleging that she continued to issue prescriptions for controlled dangerous substances even though her license had been suspended. She settled those claims in 2007, when she paid a \$13,000 civil penalty, plus costs and attorney fees totaling \$27,804, the complaint said.

The board also issued a formal reprimand after finding “overwhelming evidence” that she had falsified patient records. However, the board decided against suspending or revoking her license after hearing testimony in the case from Ilem and her patients. The board found that no patients were harmed or treated inappropriately.

Ilem also was ordered to attend a records-keeping course and have her records monitored by state regulators. Neal Buccino, a spokesman for the state Department of Law and Public Safety, said Ilem has since complied with all of the terms of the order.

Dr. Robert Bransfield, a Red Bank psychiatrist and president of the New Jersey Psychiatric Association, said it's not unusual for psychiatrists to write prescriptions for patients who are trying to cope with physical pain. Nor is it unusual for a doctor to prescribe 90 to 120 pills to a patient dealing with legitimate chronic pain.

"Psychiatrists are physicians first and psychiatrists second," he said. "We do a certain amount of general medicine. You do see people with valid pain. But sometimes doctors are duped by patients in very creative ways," he said.

In his own practice, Bransfield said, he once had a patient whose boyfriend took her prescription form, whited out her name, inserted his own and made the doctor's fax number appear fuzzy.

A pharmacist called Bransfield to question the prescription and they were able to figure out what had happened.

When cases of prescription abuse make the news, some psychiatrists will shy away from writing such prescriptions, Bransfield said. That can be unfortunate for patients who really are in pain and need help in managing it, he said.

17. Livonia Eye Doctor Faces Prescription Fraud Charges

Doctor Accused Of Fraudulently Prescribing Hydrocodone

POSTED: Monday, August 22, 2011

UPDATED: 3:28 pm EDT August 22, 2011

LIVONIA, Mich. -- The Drug Enforcement Agency announced Monday that police arrested the owner of Suburban Eye Center in Livonia.

Dr. John Jacobi, 48, of Novi, faces 30 counts of violating the Controlled Substance Act. The Livonia Police Department said Jacobi fraudulently prescribed himself and others with 96 prescriptions for a total of 5,640 doses of hydrocodone between November 2008 and December 2010.

Each count is a felony. Livonia police said Jacobi is the owner of Suburban Eye Clinic at 32415 5 Mile Road.

Jacobi was arraigned Monday and was given a \$50,000 personal bond. He is scheduled to appear in court Aug. 29 for his preliminary examination.

18. Rhode Island Doctor has license suspended for sex and misuse of drug.

Dr. Afshin Nasserli gave a female patient a sedative then kissed her, according to a suspension order.

A doctor affiliated with Landmark Medical Center with offices in Lincoln had his physician's license suspended on Monday by the Rhode Island Department of Health.

The suspension was the result of an investigation of a complaint by a female patient stemming from a visit to Nasserli's office earlier this month. According to the suspension order, Dr. Afshin Nasserli drugged the patient with Midazolam, a sedative which is known to cause temporary

amnesia, and then made sexual advances towards her, asking her about her sex life and then kissing her on the mouth.

The patient went to Nasser's office with complaints of a hurt shoulder and family stress, and was injected with the drug, most commonly used prior to endoscopy or colonoscopy procedures. The woman also stated that the doctor had called her several times, offering to visit her at her home.

An investigation by the Board of Medical Licensure and Discipline and the Board of Pharmacy revealed that the physician had kept incomplete medical records on the woman, not documenting the use of Midazolam, and omitting other office visits by the patient. They concluded that the continuation of the practice of medicine by Nasser would constitute an immediate danger to the public.

The Lincoln Police Department also conducted an investigation on Nasser, and the doctor admitted to officers during a recorded visit that he had administered the drug.

The Department of Health is not aware of any other complaints against this physician; however, if any patient of Dr. Afshin Nasser received, or thinks they may have received, an injection that sedated them and/or caused temporary amnesia, they are advised to contact the Board of Medical Licensure and Discipline's Complaint Unit at 401-222-2507.

19. E-UT Medical Center nurse admits to taking patient's painkillers

Aug. 23--While patients at the University of Tennessee Medical Center lie suffering from the aftermath of surgeries for all manner of serious medical maladies, their nurse faked charts and injected herself with their pain medications, court documents revealed Tuesday.

Kelly Barton Casey, who now uses the name Kelly Davenport, pleaded guilty Tuesday in U.S. District Court to a charge of obtaining controlled substances by subterfuge.

The 43-year-old former UT Medical Center nurse, accompanied by attorney Chris Coffey, confessed diverting massive amounts of Dilaudid, an opiate based painkiller similar to morphine, from patients and injecting herself with it instead.

According to a plea agreement filed by Assistant U.S. Attorney Trey Hamilton, Casey worked as a nurse in UT's post-operative recovery room in June 2009. Patients in her care had undergone surgeries for a variety of medical woes, including heart problems, and traumas, including car wrecks and serious assaults, Hamilton wrote.

Casey was supposed to administer the patients' drugs such as Dilaudid to alleviate their pain. Instead, she falsified charts indicating that she had administered ongoing doses to her patients but actually injected the Dilaudid into her own body, Hamilton wrote.

Her trickery spanned at least three months, according to the plea agreement. It's not clear when or how she was caught, but the plea agreement notes a major slip-up that led to the government's successful prosecution: She withdrew the drugs from UT's electronic storage locker -- which logs the time -- after she claimed already to have administered Dilaudid to the patient.

The state Board of Nursing last year revoked Casey's nursing license after her deceit was discovered and ordered her to pay a \$185,000 fine. However, criminal charges were not formally filed until late last month when Casey agreed to skip a review by a federal grand jury and, instead, plead guilty by what's known as an information.

U.S. District Judge Thomas Phillips set a Jan. 19 sentencing hearing for Casey, who is being allowed to remain free until then.

20. Broad Run Man Pleads Guilty to Oxycodone Conspiracy

ALEXANDRIA, VA—Marc Harding, 29, of Broad Run, Va., pleaded guilty yesterday to conspiring to distribute oxycodone.

Neil H. MacBride, United States Attorney for the Eastern District of Virginia, and James W. McJunkin, Assistant Director in Charge of the FBI's Washington Field Office, made the announcement after the plea was accepted by United States District Judge Leonie M. Brinkema.

Harding faces a maximum penalty of 20 years in prison he is sentenced on Dec. 2, 2011.

In a statement of facts filed with his plea agreement, Harding admitted to working in concert with others to obtain quantities of oxycodone and to distribute oxycodone to customers in Prince William County and elsewhere. Harding transcribed and altered a legitimate prescription into a file on his computer and then created a template for a fraudulent prescription that he and his co-conspirators used to manufacture fraudulent prescriptions for more than 7,000 tablets of 30 mg Roxicodone. That template later spread to other oxycodone-abusers in the Northern Virginia area and was eventually used by numerous prescription fraud rings, three of which have already been arrested and convicted in the Eastern District of Virginia.

Oxycodone is a commercially available, pharmaceutical narcotic analgesic that can be used to treat moderate to severe pain. Oxycodone is classified by the Drug Enforcement Administration as a Schedule II controlled substance. A Schedule II controlled substance is identified as one that has a high likelihood of causing addiction. Oxycodone is the active ingredient in OxyContin and Roxicodone brand pills.

This case was investigated by the FBI and is part of an ongoing Organized Crime and Drug Enforcement Task Force (OCDETF) investigation called Operation "Cotton Candy," which has been focusing on the illegal distribution by numerous doctors, pharmacists, nurses, and patients of pain medication. Prince William County, Fairfax County, Manassas City, and the Virginia State Police Departments assisted with the investigation. Special Assistant United States Attorneys Claire M. Murray and Andrew K. Mann are prosecuting the case on behalf of the United States.

A copy of this press release may be found on the website of the United States Attorney's Office for the Eastern District of Virginia at <http://www.justice.gov/usao/vae>. Related court documents and information may be found on the website of the District Court for the Eastern District of Virginia at <http://www.vaed.uscourts.gov> or on <https://pcl.uscourts.gov>.

21. N Mexico doctor gives up medical license.

A longtime Albuquerque physician permanently surrendered his state medical license just days before a hearing on allegations that he overprescribed narcotics to patients.

Dr. Barry Maron, 72, agreed he would never again apply for a license to practice medicine in New Mexico, according to an order by the New Mexico Medical Board.

Maron, who has also been under investigation by the U.S. Drug Enforcement Administration, wrote more than 20,000 prescriptions for nearly 1,200 patients from October 2009 to October 2010. One patient was prescribed 4,200 methadone tablets a month for pain.

The board earlier this year accused Maron of endangering the public and issued an emergency suspension of his license pending a more exhaustive hearing, which had been set for Monday. The hearing has been canceled.

The board alleged that since January 2009, Maron had prescribed multiple patients with excessive doses and dangerous combinations of opioids and other psychotropic medications.

Maron's attorney, Paul Kennedy, had no comment Wednesday but previously noted that his client, who had once practiced as an orthopedic surgeon, has had a "distinguished career."

Maron, who was licensed by the medical board 40 years ago, still faces a wrongful death lawsuit involving a University of New Mexico hospital nurse who died of an apparent drug overdose.

The attorney who filed that case, David M. Fine, said Wednesday he expects to file two more lawsuits against Maron.

"A lot of his former patients and potential plaintiffs in lawsuits now are pleased with the medical system," Fine said, "having been incredibly disappointed with a doctor and a prescription pad.

"There's some relief that it (the medical system) is policing itself, and this is certainly a step in the right direction."

Several others who have contacted the Journal defended Maron as helping with their severe chronic pain and said they were afraid of what would happen to them if the board revoked his license.

In June, a pain management expert testified that hospital emergency rooms should expect former patients experiencing drug withdrawals. That testimony came during a hearing on Maron's emergency suspension.

Some of Maron's patients, hearing testimony showed, turned to him after another Albuquerque physician accused of overprescribing by the medical board gave up treating chronic pain patients in 2008.

Even with Maron is no longer prescribing, Fine said, "The fear is that one (source) may close but another shop is going to open up and continue the process."

22. Kids' paintings kill man, paintings were made with crushed drugs

Updated: Thursday, 25 Aug 2011, 8:22 AM MDT
Published : Thursday, 25 Aug 2011, 8:22 AM MDT

- Reporter: [Alex Tomlin](#)

Los Lunas (KRQE) - Correction officials claim children's paintings sent to an inmate, left him dead. Now his girlfriend is facing serious charges.

That's because the artwork wasn't made with the kind of paint you buy at a store, it was made out of drugs, and mailed to the man in prison.

Prison officials said 47-year-old Shari Stone was able to pull a fast one with a new technique to smuggle drugs to a prisoner. He licked the drugs off the paintings and died. Now she's charged in his death.

The smiley sun and yellow ducky look like any other children's artwork. There are notes about missing and loving daddy, but the paintings are not normal water color pictures. The yellow paint is actually made with a crushed up drug.

Shannon McReynolds, with the Department of Corrections, said, "Grind it into a powder mix it with water and use it as kind of a water color in a child's picture. The inmate is then able to lick the Suboxone off the page."

Suboxone is a prescription drug meant to help heroin users kick the habit. But alone, Suboxone gives a euphoric high.

Officials said that's probably how Joseph Segura felt before he overdosed on the drug and died inside the state prison in Los Lunas last year. The paintings, which were found in his cell, also tested positive for the drug.

McReynolds said this is a new technique, one they are adding to the list of things to look for in an inmate's mail. Every piece of mail sent to or from an inmate is opened and checked by prison officials.

"We cut all the stamps off, inmates are not allowed to possess stamps in prison," said McReynolds. That's because drug powder is often hidden on the sticky side. McReynolds said people go to great lengths to get drugs or other contraband to inmates.

"They will try to make a separation between the layers of the card and insert black tar heroin or something like that between the layers of the card," said McReynolds. "People will try to send in religious books and within the book there will be a cutout the pages will be cut out in the shape of a cell phone."

McReynolds said Suboxone, tobacco, and cell phones are the most smuggled contraband. If someone does try to send something illegal to an inmate they are slapped with a felony charge.

As far as Sheri Stone, who is charged in Joseph Segura's death, online court records show she has never been in trouble before the involuntary manslaughter indictment this month.

23. Thirty-Two Indicted in Broward and Palm Beach Counties in Second Coordinated Pill Mill Takedown

Defendants Owned and Worked at Four Area Clinics that Prescribed over 20 Million Pills and Profited More than \$40 Million; Thirteen Doctors Among those Charged

AUG 23 -- MIAMI – Mark R. Trouville, Special Agent in Charge, Drug Enforcement Administration (DEA), Miami Field Division, Wifredo A. Ferrer, United States Attorney for the Southern District of Florida, John V. Gillies, Special Agent in Charge, Federal Bureau of Investigation (FBI), José A. Gonzalez, Special Agent in Charge, Internal Revenue Service, Criminal Investigation Division (IRS-CID), Michael McAuliffe, Palm Beach County State Attorney, Ric Bradshaw, Sheriff, Palm Beach County Sheriff's Office, Al Lamberti, Sheriff, Broward Sheriff's Office, Chadwick E. Wagner, Chief, Hollywood Police Department, Dan Alexander, Chief, Boca Raton Police Department, and Patrick Lynn, Chief, Davie Police Department, announced the unsealing of a federal indictment charging thirty-two defendants, including thirteen doctors, for their participation in, among other things, the illegal distribution of pain killers and steroids through pill mills operating in Broward and Palm Beach Counties and through the internet, respectively. A separate press release is being issued by the Office of the State Attorney, Fifteenth Judicial Circuit in Operation "Prescription for Death," which addresses state murder and trafficking charges relating to some of these defendants.

Researchers from the Centers for Disease Control and Prevention report that Schedule II prescription painkillers, like oxycodone, today cause more drug overdose deaths than cocaine and heroin combined. Oxycodone and other Schedule II drugs have a high potential for abuse and can be crushed and snorted, or dissolved and injected, to get an immediate high. This abuse can lead to addiction, overdose, and sometimes death.

The five-count indictment, filed August 11, 2011 and unsealed today, charges the defendants with numerous crimes, including racketeering conspiracy (18 defendants in Count 1), money laundering conspiracy (19 defendants in Count 2), possession with intent to distribute controlled substances (19 defendants in Count 3), maintaining drug-involved premises (9 defendants in Count 4), and wire and mail fraud conspiracy (16 defendants in Count 5). Charged in the indictment are Christopher Paul George, 30, of Wellington, Jeffrey George, 30, of Wellington, Derik Nolan, 34, of Wellington, Christopher Hutson, 31, of Wellington, Theodore Obermeyer, 30,

of West Palm Beach, Ethan Baumhoff, 40, of Ft. Lauderdale, Andrew Harrington, 31, of Deerfield Beach, Daryl Michael Stewart, 44, of West Palm Beach, Steven Goodman, 67, of St. Petersburg, Michael Renda, 30, of West Palm Beach, Matthew Siss, 25, of Jupiter, Pedro Martinez, 35, of Royal Palm Beach, Jason Leve, 33, of Wellington, Jack Martin, 48, of North Palm Beach, Marc Anthony Naya, 26, of Boynton Beach, Zachary Horsley, 25, of Royal Palm Beach, Gino Marquez, 30, of Wellington, Beau Bosshers, M.D., 47, of Palm Beach Gardens, Michael Aruta, M.D., 48, of Boca Raton, Cynthia Cadet, M.D., 41, of Parkland, Roni Dreszer, M.D., 36, of Sunny Isles Beach, Patrick Graham, M.D., 64, of Boca Raton, Daniel Hauser, M.D., 61, of Hollywood, Robert Meek, D.O., 36, of Davie, Vernon Atreidis, M.D., 46, of Ft. Lauderdale, Augusto Lizarazo, M.D., 70, of Jupiter, Christine Chico-Blume, D.O., 59, of Jupiter, Dianna Pavnick George, 27, of Wellington, Denice Haggerty, 58, of Wellington, Joseph Castronuovo, M.D., 72, of Key Largo, Irwin Beretsky, M.D., 76, of Boca Raton, and Jacobo Dreszer, M.D., 70, of Sunny Isles Beach.

The indictment alleges that defendants Christopher and Jeffrey George, twin brothers, operated, managed and financed four alleged pain management clinics in Broward and Palm Beach Counties: American Pain, Executive Pain, East Coast Pain and Hallandale Pain. According to the indictment, from 2008 to early 2010, the defendants' pill mills distributed approximately 20 million oxycodone pills and made more than \$40 million from the illegal sales of controlled substances.

Mark R. Trouville, DEA Special Agent in Charge stated, "This indictment reflects our continued multi-prong attack on those who contribute to the illegal diversion of pharmaceutical drugs from the pill mills of Florida, to the streets of communities across the United States. The DEA has the unique ability to use both criminal and administrative tools to put drug traffickers out of business."

U.S. Attorney Wifredo A. Ferrer stated, "These defendants showed a callous disregard for the well-being of their patients and the value of human life. For years, they distributed oxycodone and other controlled substances without regard to medical need, without individual treatment plans, and without physical examinations. Like all drug traffickers, they focused solely on making money and staying out of jail. But thanks to the hard work of our federal and local partners, we are shutting down these dangerous pill mills, seizing their money and assets, and sending the owners, operators, and doctors to jail. You cannot deal drugs hiding behind a medical license."

"The significance of today's takedown is that we have dismantled the nation's largest criminal organization involved in the illegal distribution of pain killers," said John V. Gillies, Special Agent in Charge for FBI Miami. "Up until today, efforts focused on the demand by targeting individual users. Today, we attacked the source and choked off the supply."

José A. Gonzalez, IRS Special Agent in Charge stated, "When any serious criminal activity is identified, IRS will commit resources to work side by side with our law enforcement partners to dismantle major drug trafficking organizations and their money laundering operations. Our special agents effectively traced the flow of monies, identified the individuals who profited from these illegal activities and seized the assets purchased using the ill-gotten gains."

"Thanks to the efforts of law enforcement and lawmakers, Broward County is losing its dubious distinction as the pill mill capital of the country," Broward Sheriff Al Lamberti said. "Unfortunately, deadly prescription drug abuse continues and local, state and federal authorities must keep up the fight to combat it."

Hollywood Assistant Police Chief Louie Granteed stated, "Since 2003, the Hollywood Police Department and the South Broward Drug Enforcement Unit, in partnership with the Broward Sheriff's Office, have been aggressively involved in operations like this to fight illegal pain clinics throughout Broward County. This type of joint police action is the only way to prevent trafficking in oxycodone, doctor shopping, and the deaths that result from overdoses. We will continue this fight and not rest until every illegal pain clinic is closed."

"Oxy is a contemporary plague. We are very happy to have partnered with the agencies involved in this operation and to have played a role in such a significant undertaking. It is our hope that through these efforts and other similar operations we can reduce the illicit use of oxy and save lives," stated Chief Patrick Lynn of the Davie Police Department.

According to the indictment, the defendants operated the clinics as pill mills that offered patients prescriptions for oxycodone and other controlled substances without any legitimate medical purpose and outside the usual course of professional medical practice. Consequently, individuals, including addicts and traffickers, seeking to buy large quantities of oxycodone and other controlled substances would travel from as far as Tennessee, Ohio, Kentucky, West Virginia and elsewhere, to obtain prescriptions at the defendants' clinics. Business was such that the defendants hired security guards to attempt to control the fights and arguments that would often erupt between patients waiting in the clinic lobbies for their physical examinations or prescriptions.

To execute the scheme, the defendants hired complicit doctors who agreed from as early as their job interviews to prescribe oxycodone and other controlled substances to patients without regard to medical necessity, with only a cursory physical examination of the patient, and in violation of numerous federal and state laws and DEA regulations regarding the storage and distribution of controlled substances. The doctors typically prescribed a "cocktail" of controlled substances, including large quantities of oxycodone (30 mg and 15 mg), Xanax (2 mg) and/or Soma, with no individualized treatment plans or showing of medical need. In return, the complicit doctors were paid on a per capita basis depending on the number of patients they examined each day.

According to the indictment, by 2010, the complicit doctors were allegedly examining close to 500 patients each day at just one clinic, American Pain Clinic. In fact, from July 2008 through March 2010, approximately 66,871 prescriptions were allegedly filled from American Pain Clinic. Of the prescriptions filled at American Pain Clinic, approximately 96 percent were for either oxycodone or alprazolam. Moreover, about 80 per cent of the prescriptions filled at American Pain Clinic were for individuals who listed an address outside of Florida.

The indictment also charges Steven Goodman, who was the owner of a pharmaceutical wholesaler, Medical Arts, Inc., with participation in the racketeering criminal enterprise (Count 1). Under federal law, Medical Arts, Inc. was required to report to the DEA suspicious orders of controlled substances. Suspicious orders include orders of unusual size and frequency, and orders deviating substantially from normal patterns. DEA notified Medical Arts, Inc. that the defendants' clinics appeared to be operating as illegal pill mills. Notwithstanding such notice, Medical Arts continued to supply the defendants' clinics with approximately one million dosages of oxycodone and conspired to obstruct a governmental investigation into the clinics.

In addition to the illegal distribution of controlled substances, many of the racketeering defendants in Count 1 are alleged to have participated in large scale fraudulent telemarketing activity. The racketeering defendants allegedly operated and managed two large illegal time share resale businesses, in which they made false statements to victims to induce them to pay fees for non-existent marketing and sales activities. These timeshare telemarketing schemes generated millions of dollars in profit for these defendants.

The indictment further alleges that many of the racketeering defendants, under the direction of defendant Jeffrey George, were also involved in the illegal internet distribution of anabolic steroids through South Beach Rejuvenation and Health, Inc., a company that he owned and controlled. According to the charges, South Beach Rejuvenation and Health, Inc., allegedly sold steroids to customers without first conducting in-person patient examinations, as required by federal law. Once again, the racketeering enterprise used complicit doctors to issue thousands of prescriptions for steroids. This criminal activity generated millions of dollars for the defendants.

Lastly, the indictment alleges that the racketeering defendants engaged in wide-ranging violence, including kidnapping, extortion, assault, aggravated assault with a firearm, and other crimes of violence against competitors and individuals whom they suspected of stealing or other disloyalty.

To date, pursuant to court authorized search and seizure warrants, the government has seized approximately \$4.7 million in cash from the defendants' residences, and various houses and expensive automobiles, worth more than \$9 million. The indictment also seeks the forfeiture of approximately \$40 million in cash and assets, representing the illegal proceeds of the pill mill operations. Among the assets sought to be forfeited are a 2010 Range Rover, three residential

properties in Lake Worth, and expensive watches, including a Rolex Submariner, a Chopard and Patek Philippe watches.

If convicted, the defendants face a statutory maximum penalty of 20 years in prison on Count 1, 10 years on Count 2, 20 years on Count 3, 20 years on Count 4, and 5 years on Count 5. An indictment is only an accusation and the defendants are presumed innocent until proven guilty.

24. Oxycodone ice cream man pleads guilty (NY)

August 24, Associated Press – (New York)

The Associated Press reported August 24 a man admitted to selling black-market prescription painkillers out of his ice cream truck in New York City.

He was accused of being a leader of a Staten Island-based drug trafficking ring that illegally sold nearly 43,000 oxycodone pills, worth \$1 million on the street. The city Special Narcotics Prosecutor's office said the group filled phony oxycodone prescriptions at pharmacies, and then the man sold most of the pills from his ice cream truck, doling out treats to children and then selling oxycodone to customers.

25. Detectives Arrest Pinellas County Man for 25 Counts of Doctor Shopping

According to detectives on April 26, 2011 they received information from a dentist that Marc Jones was possibly doctor shopping. During the next several months detectives received similar complaints from other dentists and medical doctors. Detectives determined that Jones was using a similar scenario to dupe each of the physicians he was seeing into providing him prescription drugs.

Jones would contact a dentist office as a new patient telling them that he was in severe pain with his teeth and he needed to be seen immediately. He would be given an emergency appointment and arrive at the dentist's office claiming he was in so much pain that he couldn't stay. He would then reschedule his appointment at a later time to be treated. Jones was able to convince each of the dentists to write him prescriptions for Hydrocodone until he could return to be treated.

Jones committed the same scam on other physicians claiming he was in pain for other problems and he would be prescribed Hydrocodone, Oxycodone, and Diazepam. Once Jones had received the prescriptions he would not return to the physician's office. Detectives determined that Jones had been seen by 21 dentists and 18 other physicians using the same scam since January of 2011.

During each visit Jones received 5 to 20 of the HYDROCODE pills, and 20 to 180 of the Oxycodone pills. He also wrote worthless checks on a closed bank account to many of the dentists and physicians. Since January Jones has received 240 Diazepam, 1991 Hydrocodone, and 905 Oxycodone. Detectives contacted the Pinellas Dentistry Association requesting their assistance in notifying their dentists of Jones' criminal activity.

An alert was issued by the association with Jones' information and picture. On Wednesday, August 24, 2011 detectives were notified by a local dentist that Jones had an appointment in his office this morning. Detectives arrived at the office and arrested Jones without incident. Jones was cooperative and admitted to the crimes. He consented to a search of his vehicle and detectives seized multiple prescription bottles, prescriptions, and his check book. Detectives also identified additional victims from the seized evidence.

Jones was arrested for 25 Counts of Doctor Shopping, and numerous Drug Trafficking charges are pending. According to detectives this is the most egregious doctor shopping investigation in

the history of the Pinellas County Strategic Diversion Task Force. Detectives believe there are many other incidents involving Jones that may not have been reported. Anyone with information is asked to contact the Pinellas County Sheriff's Office Narcotics Division at 727-582-2828.

26. U.S. Attorney's Office August 29, 2011 - Newark, NJ

NEWARK, NJ—A 26-count superseding indictment was filed today against pharmacist Vincent Hsia, the proprietor of Lincoln Pharmacy Network, located in Edison, New Jersey, and six additional individuals, relating to the distribution of Oxycodone, a Schedule II controlled substance, U.S. Attorney Paul J. Fishman announced.

The superseding indictment charges the following individuals with possessing with intent to distribute and conspiring to distribute Oxycodone:

- Vincent Hsia, 51, Flemington, New Jersey;
- Ryan Otskey, 36, Lyndhurst, New Jersey;
- Ivan Lugo, 34, Elizabeth, New Jersey;
- Cheryle Sutter, 31, Carteret, New Jersey;
- Keith Thompson, 33, Newark, New Jersey;
- Gary Cross, 27, Roseland, New Jersey; and
- Angelo Cifelli, 33, Nutley, New Jersey.

The superseding indictment further charges that Hsia filed false individual and corporate 2008 and 2009 tax returns. Specifically, the superseding indictment alleges that Hsia intentionally failed to report approximately \$275,000 in income on his personal income tax returns for the tax years 2008 and 2009. In addition, Hsia allegedly misstated Lincoln Pharmacy's corporate tax returns by intentionally failing to include more than \$1.2 million in gross receipts earned by the pharmacy during the 2008 and 2009 tax years.

The superseding indictment was preceded by the filing of a criminal complaint, which was unsealed on April 6, 2010, charging Hsia and seven additional individuals with conspiracy to distribute Oxycodone. Except for Hsia and Thompson, the original defendants have all pleaded guilty before the Honorable Susan D. Wigenton, United States District Judge, as follows:

- Pasquale Pugliese, 35, Kenilworth, New Jersey (plea July 14, 2010);
- Marc Calabria, 33, Nutley, New Jersey (plea September 15, 2010);
- Michael Caviness, 50, Newark, New Jersey (plea October 7, 2010);
- Thomas Giaimo, 29, Nutley, New Jersey (plea October 7, 2010);
- Jason Caracappa, 31, Manalapan, New Jersey (plea October 12, 2010); and
- John Dechiara, 20, Iselin, New Jersey (plea October 18, 2010);.

Finally, Edwin Martinez, 26, of Fords, New Jersey, pleaded guilty to conspiring to distribute Oxycodone before Judge Wigenton on April 27, 2011.

In addition, criminal complaints previously were filed in federal court against Otskey, Lugo, Sutter, Cross and Cifelli. Specifically, the complaint filed against Otskey, Mag. No. 10-3213 (PS), alleged that he obtained blank prescriptions from the High Mountain Health clinic in North Haledon, New Jersey, that were filled by Hsia for in excess of 61,000 Oxycodone pills, which pills were subsequently redistributed. Similarly, the criminal complaint filed against Cross, Mag. No. 11-8055 (MCA), alleged that Cross obtained blank prescriptions from Town Medical Associates in Verona, New Jersey, which he and his co-conspirators used to purchase approximately 14,000 Oxycodone pills from Hsia at Lincoln Pharmacy. The criminal complaint filed against Sutter and Lugo, Mag. No. 10-3203 (PS), also alleged that they obtained Oxycodone pills from Hsia at Lincoln Pharmacy using prescriptions completed in the names of fictitious patients, and utilized a number of co-conspirators, including Pugliese and Martinez, to fill those fraudulent prescriptions. Finally, the criminal complaint filed against Cifelli, Mag. No. 10-4206 (CCC), alleged that he

furthered the conspiracy by driving co-conspirators to Lincoln Pharmacy and otherwise assisting with the distribution of oxycodone.

Judge Wigenton previously set a trial date of October 4, 2011, in this matter.

The oxycodone distribution and conspiracy charges each carry a maximum potential penalty of 20 years of imprisonment and a \$1 million fine. The tax charges each carry a maximum potential penalty of three years of imprisonment and a \$100,000 fine.

U.S. Attorney Fishman credited Special Agents with the Drug Enforcement Administration Tactical Diversion Squad, under the direction of Special Agent in Charge Brian R. Crowell; Special Agents with the Federal Bureau of Investigation, under the direction of Special Agent in Charge Michael B. Ward; Special Agents with the Internal Revenue Service—Criminal Investigation, under the direction of Special Agent in Charge Victor W. Lessoff; the Newark, Elizabeth, and Nutley, New Jersey police departments; and the Essex County Prosecutor's and Sheriff's Offices for the investigation leading to today's superseding indictment.

The case is being prosecuted by Assistant United States Attorney Anthony J. Mahajan of the Narcotics/Organized Crime Drug Enforcement Task Force Unit in Newark.

27. Pain Clinic Kingpin Charges with Second Degree Murder

Pain clinic kingpin Jeff George charged with second-degree murder in painkiller death WEST PALM BEACH — Chris and Jeff George got wildly rich running the largest illegal pain clinic network in the country, plotting business moves, posting brazen advertisements and callously dismissing the deaths of people who took their pills, prosecutors said Tuesday.

In setting up the elaborate operation, which flourished amid a climate of no regulation and years of inaction by Florida lawmakers, the twin brothers relied on at least 31 family members, friends, doctors and business contacts, prosecutors said.

Their efforts resulted in \$40 million in ill-gotten cash, tens of millions of painkillers on the black market and a long, winding trail of dead bodies, prosecutors said. At least 56 people, they said, overdosed and died on drugs that flowed out of a single George brothers clinic.

This week, authorities said, will mark the final stages of the scheme's unraveling, as the 30-year-old twins, their 14 doctors and a long list of alleged accomplices ready their criminal defenses.

Unsealed on Tuesday, a 123-page federal indictment charges Chris and Jeff George and 30 others with running a criminal enterprise funded not only by prescription drug dealing, but also by boiler-room telemarketing operations and an Internet steroids business.

And in a separate, related case, Palm Beach County State Attorney Michael McAuliffe is accusing Jeff George and a doctor of murder in the overdose death of Joey Bartolucci, a patient whose sudden death was profiled in The Palm Beach Post in November 2009.

McAuliffe said the charges should serve as a warning: "When appropriate, we will pursue charges that match the crime."

In U.S. District Court on Tuesday, 17 defendants surrendered to authorities. They included Dianna George, wife of Christopher George, who has remained in jail since November on a federal gun charge. The remaining 14 defendants, including Jeff George, are expected before a judge today.

Chris George is expected to be arraigned on the new charges next week, said his attorney, Fred Haddad.

In targeting the George brothers, federal prosecutors are relying in part on a racketeering law enacted to crack down on the Mafia.

Haddad on Tuesday declined to comment on the newly unsealed indictment, saying he had yet to read it. In a November court hearing, though, he previewed one possible legal defense: The twins operated legitimate businesses staffed by licensed doctors, who prescribed drugs within the law.

Working together in an effort dubbed “Operation Oxy Alley,” federal and local drug agents spent three years building a case, poring over tens of thousands of seized medical records and hundreds of hours of wire-tapped phone conversations. They emerged with a portrait of the George brothers as callous and grasping operators who knew exactly what they were doing, U.S. Attorney Wilfredo Ferrer said.

“They didn’t care if their patients lived or died,” Ferrer said. “This conduct described in today’s charges is horrific. It’s governed by absolute greed.”

Born and raised in Florida, the brothers evolved in just a few years from brash, trouble-making sons of a prominent real estate developer, to health supplement and steroid salesmen, to pain clinic tycoons.

By March 2010, their operation had grown to include four clinics in Florida and one in Georgia, two pharmacies, a drug distributor and other businesses, prosecutors said. Their brazen marketing tactics sometimes could verge on the comic, the indictment indicates. Chris George once hired a “professional bikini model” to dispense pills, prosecutors said.

They would also hang signs welcoming patients from other states and pay recruiters to drum up business in places where pills were scarce and addiction was common, prosecutors said. The strategy paid off: In two years, 80 percent of the prescriptions penned by the George brothers’ doctors — nearly 67,000 — went to patients who lived outside Florida and 43 percent went to people from Kentucky, according to the indictment.

Customers sometimes collapsed in drug-induced seizures in the clinic waiting rooms, prosecutors said. Clinic operators referred patients to a nighttime MRI service that operated out of a truck parked behind a strip club. They looked the other way, prosecutors said, as junkies smuggled in urine to cheat on drug tests, then flushed containers down the toilets — so many that managers had to call a plumber to clear the pipes.

A stable of willing — and eager — doctors made the operation possible. Paid by the patient, they combined to distribute more than 20 million painkillers in two years, prosecutors said.

Some of those, on a chilly day in February 2009, passed from Jeff George’s pain clinic, East Coast Pain, to a 24-year-old addict named Joey Bartolucci. Hours after filling his prescription for hydromorphone and other drugs, Bartolucci died of an overdose.

Months later, Jeff George defended his business when approached by The Post, saying: “I bought my Lamborghini four years ago. If I wreck it, am I going to hold the Lamborghini dealership responsible?”

Later, in a phone conversation captured by a wiretap, Chris George called Bartolucci a “loser.”

A state grand jury charged the doctor who wrote the prescription, Gerald Klein, with first-degree murder. McAuliffe charged Jeff George with felony second-degree murder.

Reached Tuesday, Jeff George referred questions to David Roth, his attorney. Roth hung up on a reporter who called him on his cell phone.

The federal-state takedown of what the FBI calls the nation’s largest illegal pain-clinic distribution ring resulted in 32 federal indictments unsealed Tuesday, including clinic operators Chris and Jeff George, both 30, of Wellington.

Doctors indicted: Beau Boshers, 47, of Palm Beach Gardens; Augusto Lizarazo, 70, and Christine Chico-Blume, 59, of Jupiter; Michael Aruta, 48, Irwin Beretsky, 76, and Patrick Graham, 64, of Boca Raton; Cynthia Cadet, 41, of Parkland; Daniel Hauser, 61, of Hollywood; Vernon Atreidis, 46, of Fort Lauderdale; Robert Meek, 36, of Davie; Joseph Castronuovo, 72, of Key Largo; and Jacobo Dreszer, 70, and Roni Dreszer, 36, of Sunny Isles Beach.

Murder charge: The state issued a first-degree murder charge against Dr. Gerald Klein, 77, of Palm Beach Gardens.

Others indicted: Derik Nolan, 34, Dianna Pavnick George, 27, Denice Haggerty, 58, Christopher Hutson, 31, Gino Marquez, 30, and Jason Leve, 33, of Wellington; Theodore Obermeyer, 30, Daryl Michael Stewart, 44, and Michael Renda, 30, of West Palm Beach; Pedro Martinez, 35, and Zachary Horsley, 25, of Royal Palm Beach; Matthew Siss, 25, of Jupiter;

28. Oklahoma Doctor convicted in drug distribution case

Tulsa doctor convicted in drug-distribution case. He also is found guilty of Medicaid fraud and must pay numerous fines. By BILL BRAUN World Staff Writer

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Tulsa County jurors who deliberated Monday night into Tuesday morning found a Tulsa doctor guilty of 23 felony counts of distributing controlled and dangerous substances.

The jury meted out fines totaling \$700,000 to Dr. David Crass for those offenses but did not impose any prison time.

Crass was found not guilty of 11 other drug-distribution felony counts.

He was also convicted of one misdemeanor, Medicaid fraud, and was fined \$2,335 for that.

The verdicts concluded a trial in District Judge James Caputo's court.

Jurors began deliberating about 7:35 p.m. Monday and announced that they had reached verdicts more than 10 hours later - about 6 a.m. Tuesday.

The state Attorney General's Office charged Crass in October 2008, alleging that he had prescribed medications "not in good faith" and "outside the course of professional practice."

The offenses were alleged to have occurred between June 14, 2005, and April 18, 2006, when Crass had a psychiatric and pain management practice at his office in the 1700 block of South Boston Avenue, records show.

Prosecutors alleged that he prescribed drugs such as Xanax, Valium, Lortab and Adderall without a sufficient medical basis to show that those drugs were needed.

Some counts involved testimony from two undercover agents who went to the defendant's office as patients and obtained prescriptions.

Crass, who posted bond after being charged in October 2008, did not testify at his trial.

He is still a licensed medical doctor, according to the website of the Oklahoma Board of Medical Licensure and Supervision.

In the Medicaid fraud count, Crass was accused of knowingly causing claims to be submitted for payment when he knew that the claims involved prescriptions for controlled substances that were not necessary.

Defense attorney James Linger asserted that there was insufficient evidence to support a conviction.

He indicated that Crass' options include pursuing efforts to get the guilty verdicts set aside and to get a new trial.

In a news release issued Tuesday, state Attorney General Scott Pruitt said his office's Medicaid Fraud Control Unit is dedicated to protecting Oklahoma residents against people who would defraud the Medicaid system.

29. Feds serve warrants at Kentucky Pharmacy

UPDATE: The Drug enforcement Agency Raided an Owensboro pharmacy today after hundreds of thousands of pills turned up missing. The DEA put an Immediate Suspension Order on the Mayfair Pharmacy---halting the sale of all controlled substances indefinitely.

Controlled substance abuse is a problem in most cities. But police say Mayfair Pharmacy was helping fuel the problem in Owensboro. Now the pharmacy is under fire with the DEA and will have to prove its ability to responsibly distribute controlled substances to stay open.

It all started with the arrests of Tena and Steven Kirby of Owensboro. In May police raided their home at 2614 Cloverdale Drive after receiving several Crime Stoppers tips about the couple. They found more than \$2,000 worth of controlled substances in the Kirbys home.

At the time, Tena Kirby was an employee of Mayfair Pharmacy. Her arrest led police to contact the DEA--which then audited the pharmacy.

The DEA found hundreds of thousands of pills missing from the pharmacy--all of which were controlled substances. Now the DEA is confiscating the pharmacy's entire supply of controlled substances.

"They had poor record keeping, poor inventory practices. For an example--just one type of hydrocodone--there was approximately 130,000 pills missing from a two year period," says Marian Cosgrove, Owensboro Police Department Public Information Officer.

The DEA issued an Immediate Suspension Order (ISO) on Mayfair Pharmacy. The ISO prevents Mayfair from selling controlled substances, but this doesn't necessarily mean the pharmacy will go out of business.

There are many other drugs, like antibiotics, that are not controlled substances. Cosgrove says the pharmacy's carelessness may have helped fuel the city's prescription drug abuse problem.

"You can see the magnitude this would have on a community when hundreds of thousands of pills are leaving the pharmacy without prescriptions," she says.

Cosgrove says she's never seen anything like this. "We've not had a pharmacy shut down in Owensboro so this is a first, and hopefully we don't have this problem with other pharmacies in our community," she added.

The DEA says this is an administrative suspension--not a criminal suspension. Mayfair Pharmacy will have to attend a hearing in Washington, D.C. to get its license back.

Mayfair representatives were not available to comment on this story.

PREVIOUS REPORT: Officials say this morning's investigation at Mayfair Pharmacy in Owensboro started earlier this year in Louisville. That is where they say Steven Kirby was arrested on drug charges. Police later searched Kirby's home in Owensboro where they say they found \$1200 in drugs from Mayfair Pharmacy. Kirby's wife, Tena was employed at Mayfair's.

Police say they continued to investigate and found hundreds of thousands of dollars worth of drugs missing from the pharmacy, which lead to today's warrants being served. Federal and local law enforcement agencies have converged on an Owensboro pharmacy.

A spokesperson for the Owensboro Police Department says OPD officers and representatives of the Drug Enforcement Administration are serving warrants at Mayfair Pharmacy. The spokesperson said items, including drugs, are being seized. The spokesperson did not give a reason why the action was taking place.